

1 STATE OF CALIFORNIA  
2 DEPARTMENT OF CORPORATIONS

3 TEXT OF PROPOSED CHANGES  
4 UNDER THE FRANCHISE INVESTMENT LAW  
5 PURSUANT TO NOTICE  
6 DATED: February 13, 2001

7 1. Amend Section 310.011 to read:

8 310.011. Payment of Nominal Franchise Fee.

9 There is exempted from the provisions of Chapter 2 (commencing with Section 31110) of  
10 Part 2 of the Law, any offer or sale of a franchise which would be subject to registration solely  
11 because the franchise is required to pay, directly ~~of~~ or indirectly, a franchise fee which on an  
12 annual basis does not exceed the sum of ~~\$100~~ \$500.

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14 NOTE: Authority cited: Sections 31110 and 31502, Corporations Code.

15 Reference: Sections 31011, 31110, 31111, 31112, 31113, 31114, 31115, 31116, 31117,  
16 31118, 31119, 31120, 31121, 31122, 31123, 31124 and 31125, Corporations Code.